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SUBJECT: MEDIA REACTION: U.S. PRESIDENTIAL ELECTION, CROSS-STRAIT
RELATIONS, AND U.S. ARMS SALES TO TAIWAN

¶1. Summary: Taiwan's major Chinese and English-language dailies continued to give significant news coverage November 4 to the historic meeting between Taiwan's Straits Exchange Foundation (SEF) Chairman P.K. Chiang and China's Association for Relations across the Taiwan Strait (ARATS) Chairman Chen Yunlin in Taipei Monday; and to the agreements that will be signed between SEF and ARATS Tuesday, as well as the various demonstrations staged by the DPP. The pro-unification "United Daily News" ran a banner headline on page six reading "The United States: Exchange of Visits by Ministerial-Level Economic and Trade Officials between the United States and Taiwan to Be Resumed."

¶2. In terms of editorials and commentaries, a column in the centrist, KMT-leaning "China Times" discussed the U.S. presidential election and possible U.S.-China trade and economic conflicts that the newly elected U.S. president will confront. An op-ed piece in the pro-independence, English-language "Taipei Times," written by former AIT chairman Nat Bellocchi, now a special adviser to the Liberty Times Group, said it will take some time after the new U.S. president is elected before Taiwan can tell whether there will be changes in U.S.-Taiwan relations. With regard to the cross-Strait relations, an editorial in the pro-independence "Liberty Times" lambasted the Ma Ying-jeou Administration's handling of the SEF-ARATS talks as "disparaging Taiwan's national dignity, abandoning Taiwan's sovereignty" and thus "humiliating the Taiwan people." An editorial in the pro-independence, English-language "Taiwan News" alleged that both Chen's Taiwan visit and China's approval of Taiwan former Vice President Lien Chan's participation in the APEC summit were the KMT Administration and the Chinese government's plot to form an alliance, which will harm Taiwan and eventually all of Asia. An editorial in the conservative, pro-unification, English-language "China Post," however, said this week's talks "will mark a significant step forward in cross-Strait relations." A separate "Taipei Times" op-ed piece, written by U.S. scholar Robert Sutter, discussed the U.S. arms sales to Taiwan and concluded that "conceivable options for the US to provide advanced fighters to Taiwan seem very limited." End summary.

¶3. U.S. Presidential Election

A) "Obama and U.S.-China Economic and Trade Conflicts"

Deputy Editor-in-Chief Kuo Chen-lung wrote in the "International Column" in the centrist, KMT-leaning "China Times" [circulation: 220,000] (11/4):

"... As it stands now, no matter whether it is John McCain or Barack Obama that is elected, there seems to be little difference in their Asia-Pacific policies. The security issues have become less important now, while economic and trade issues are very hot. Over the past ten years, the fuels that could ignite security [problems] in the Asia-Pacific region have been defused one by one: the Korean Peninsula issue has been gradually put under control through joint cooperation between the United States and China. As for the Taiwan issue, which was originally the one that would most likely trigger

clashes [in the region], both Washington and Beijing struck a consensus in dealing with it during Chen Shui-bian's term. Since Ma Ying-jeou came to power, cross-Strait relations have embarked on stable development, so the new U.S. president can leap over the previously controversial Taiwan issue.

"No matter who is elected, the new U.S. president, [when mapping out his] Asia-Pacific strategy, will have to face the rise of China and develop the [United States'] strategic industry for the next stage so as to outrun the other competitors in the Asia-Pacific region. Moreover, he will have to strive for the cooperation of other Asia-Pacific partners in order to get out of the financial storm and economic recession. ... For the new U.S. president, China failed to perform its duty when its economic and trade strength was on the rise, and it has even threatened the United States, whether by deliberately devaluing the Renminbi, 'stealing' Americans' jobs, or ordering its sovereignty wealth funds wantonly to purchase U.S. strategic assets. Even in the face of global warming and financial meltdown, China has failed to make contributions as it was supposed to. For the new U.S. president, one of his measures will be to 'navigate China's rise' by integrating the country into the global regulatory system and encouraging it to obey rules that were set by the United States and other Western countries.

"Next, [the new U.S. president] must speed up in signing free trade agreements [FTAs] with Asia-Pacific nations, in particular, the Philippines, Thailand, Malaysia and Indonesia, which will soon be won over by China via the 'ASEAN plus one.' The countries with which the Bush Administration has completed signing [FTAs], such as Singapore, Australia, and South Korea, are all key Asia-Pacific allies that [Washington] can use to counterbalance China's increasingly growing influence. Among these countries, Japan is the most important. Following the trade clashes between the United

States and Japan at the end of the last century, the bilateral trade relations have been in a state of serenity. But it also shows that American businesses have lost their interest in the Japanese market and have begun to turn to China and other Asia-Pacific countries, where they see more profit. But for the United States, Japan remains a pillar of stability in the Asia-Pacific area, which the new U.S. president must not give up. ..."

B) "Only Time Will Tell on US Support for Taiwan"

Nat Bellocchi, former AIT chairman and now a special adviser to the Liberty Times Group, opined in the pro-independence, English-language "Taipei Times" [circulation: 30,000] (11/4):

"... During the upcoming months, Taiwanese will also continue to focus their attention on the economy and on the efforts of the new president to change their relationship with China. Any changes in the US-Taiwan relationship, however, will not take place soon. ... In the last two or three weeks, many have been discussing the possibility of a cross-strait annexation of Taiwan by China as long as there is no war in the Taiwan Strait. Others have talked about a possible 'confederation' between China and Taiwan. Many others press for an independent Taiwan, no matter how long it takes. Others talk about the need for the continuation of strong relations with the US and other East Asian countries, especially Japan. All of this will continue up to and beyond the inauguration of the new US government in January. Given the time it takes to engage in cross-strait talks, not too much change will have taken place and all of us will have to wait and see how cross-strait talks develop - and how the US handles it."

14. Cross-Strait Relations

A) "Ma Ying-jeou Self-Disparages [Taiwan's] National Dignity; Abandons Its Sovereignty; and Humiliates the Taiwan People"

The pro-independence "Liberty Times" [circulation: 720,000] editorialized (11/4):

"... [Taiwan's President] Ma Ying-jeou self-disparaged [Taiwan's] national dignity and abandoned [Taiwan's] sovereignty. Ma used the excuse that [Chinese President] Hu Jintao received [Taiwan's Straits Exchange Foundation Chairman] P. K. Chiang [in Beijing in June 2008] to justify his meeting with [China's Association for Relations

across the Taiwan Strait Chairmen] Chen Yunlin, regardless of whatever title by which [Ma] will be addressed. Ma even lied that such a manner would be 'based on an equal footing.' Didn't Ma know that the disagreement between both sides of the Taiwan Strait nowadays lies in the fact that the other side does not recognize the Republic of China? On the other hand, Taiwan has already recognized the existence of the People's Republic of China. Therefore, the issue of disparagement did not exist when the other side met with Chiang. For our side's meeting with Chen, on the contrary, we have to remove our national flags, and remove [Ma's official title of] President. There are fundamental differences in the prerequisites. Does Ma really have to meet with Chen? Can it be that the national flags are only internal governance tools to differentiate dissidents, while one feels inferior [with our own national flags] when facing the motherland on the other side? It must be a premeditated move rather than ignorance to invite such guests collectively to humiliate the Taiwan people. ..."

B) "Lien's APEC Nod Is Taiwan's Trap"

The pro-independence, English-language "Taiwan News" [circulation: 20,000] editorialized (11/4):

"Combined with the current visit to Taiwan by People's Republic of China envoy Chen Yunlin, the appointment of Chinese Nationalist party (Kuoimintang) honorary chairman Lien Chan as President Ma Ying-jeou's representative to the informal leaders meeting of the Asia-Pacific Economic Cooperation forum in Lima, Peru late next month signifies the KMT government's acquiescence to Beijing's suzerainty over Taiwan. ...

"Far from being a breakthrough, Lien's appointment marks less an upgrade in Taiwan's international status but an award to the former KMT chairman for his services to the Chinese Communist Party and the common KMT-CCP cause of suppressing democracy and 'preventing independence' in Taiwan. ... The combination of Chen Yunlin's visit to Taiwan and Lien's appointment to the APEC meeting does not signify a genuine peace between the two sides of the Taiwan Strait but the cementing of an alliance between the two authoritarian parties of the Chinese Nationalist Party and the Chinese Communist Party that will be inimical to both Taiwan's independence and democracy, the future development of democracy in China and Hong Kong and Macau and indeed, Asia in general. ..."

C) "World Changed This Week"

The conservative, pro-unification, English-language "China Post" [circulation: 30,000] editorialized (11/4):

"This week, the first of November 2008, will do down in history as the week that formally revives Taiwan's normal relations with the Chinese mainland after a six-decade estrangement. ... Chen and Chiang met in Beijing in June for the first direct dialogue between the two sides in ten years. This week's talks will mark a significant step forward in cross-Strait relations and show concrete progress after a scheduled meeting in Taipei in 1999 was scrapped amid acrimony over sovereignty issues. The new agreements, widely seen as a significant accomplishment of President Ma, will give a major boost to Taiwan's economy and trade. Both sides have stressed that politics do not feature on this week's agenda. Ultimately, the Taiwan people's attention is on how the mainland visitor addresses President Ma when the president receives him. If Chen doesn't address President Ma by his official title, all the mutual goodwill and efforts would amount to little, and cross-strait detente would remain a pipe dream."

15. U.S. Arms Sales to Taiwan

"F-16 Fighters -- Lost in the Shuffle?"

Robert Sutter, an American professor of the School of Foreign Service in Georgetown University, opined in the pro-independence, English-language "Taipei Times" [circulation: 30,000] (11/4):

"... Taiwan and China are maneuvering for advantage in the improved cross-strait atmosphere. Economic and social contacts will advance with the visit of Association for Relations across the Taiwan Strait (ARATS) Chairman Chen Yunlin to Taiwan. However, uncertainty clouds

the efforts to get China to ease diplomatic isolation and military intimidation of Taiwan. Chinese officials don't move on these areas because they are suspicious of Ma's willingness to consider reunification and his defense plans that include advanced weapons, notably F-16 fighters, from the US. ...

"The incoming administration, whether headed by Obama or McCain, will take time - probably years - to build such a relationship with Beijing. The past record shows that Chinese officials - in the interim - will be extremely sensitive to policies of the new US government toward Taiwan and will react very strongly to US arms sales or other initiatives. Of course, the new US government may decide to move ahead with F-16 sales anyway, but the resulting uproar in China-US relations is probably the last thing an Obama or McCain administration would seek in the midst of enormous US problems at home and abroad that require extensive cooperation with China. Meanwhile, defense specialists in Washington say that the US ability to provide F-16s to Taiwan or any other country is scheduled to end within a year as a result of the closing of the aircraft's production line.

"Looking out, conceivable options for the US to provide advanced fighters to Taiwan seem very limited. Providing Taiwan with US fighters more advanced than the F-16s would risk such strident Chinese reaction that even tough-minded US policymakers determined to deter Chinese military intimidation of Taiwan are likely to eschew the choice. They are more likely to make a virtue out of a necessity and support the so-called "porcupine" strategy for Taiwan's defense that emphasizes measures Taiwan can take for self-defense that preclude use of advanced aircraft to take the battle to the invading enemy across the Strait."

YOUNG